
Report to: Council

Date of Meeting: 22 October, 2015

Subject: Shared Education and Social Services

Report by: Chief Executive

1.0 Purpose

- 1.1 The purpose of this report is to advise Council of Stirling Council's recent decision to withdraw from shared services for education and social services and to brief members on how matters might progress in light of that decision.

2.0 Recommendations

- 2.1 It is recommended that Council:

- a) notes that Stirling Council at its meeting on 8 October agreed to move away from shared services in favour of dedicated Stirling services;
- b) in light of that decision, gives notice to Stirling Council that this Council will end the current shared services arrangements for education and social services as at 31 March, 2017 (a financial year being the period required under the Shared Services Partnership Agreement should either partner wish to cease the current arrangements);
- c) further to that notice having been given, notes that the Chief Executive will commence discussions with the Chief Executive of Stirling Council to progress the managed withdrawal of shared services as per the Strategic Partnership Agreement;
- d) notes activity which has been undertaken since the late September when Stirling Council's political Administration made its intentions vis-à-vis shared services known; and
- e) records its thanks and appreciation to all those staff who have worked to develop and support shared services since late 2010.

3.0 Background

- 3.1 Clackmannanshire and Stirling councils embarked on shared services in December, 2010, and since that time have been deepening the integration of education and social services across the two authorities.

- 3.2 On 26 June, 2014, further to an annual stock-take, both councils agreed as follows:
- a) *to affirm the further development of shared Social Work and Education Services*
 - b) *to confirm the principle that the intention is to take forward that further development according to the lead authority model*
 - c) *that a full business case be carried out on the lead authority model; and*
 - d) *prior to implementation of the model, that the full business case is reported back to both councils for a final decision.*
- 3.3 Among the key features of the full lead authority model as described at that time was that *Clackmannanshire would have responsibility for the discharge of Social Services across the two council areas; Stirling would have responsibility for the discharge of Education Services across the two council areas.*
- 3.4 Ernst & Young were awarded the tender to carry out the full business case and a presentation on their planned approach was given to the Shared Services Extended Steering Group of elected members of both councils (comprising Leaders, Depute Leaders, relevant convenors plus opposition Leaders and relevant shadow spokespersons of both councils) on October 28th, 2014.
- 3.5 The final draft business case was presented to members of both councils at a joint all member briefing in June, 2015. There was then a jointly agreed period of public and staff consultation across Clackmannanshire and Stirling.
- 3.6 At the end of that consultation period in mid August, a meeting of the Shared Services Extended Steering Group took place to discuss the business case and to review the consultation feedback.
- 3.7 The outcome of that meeting was an agreement that elected members of each council would continue to consider the future options for shared services with a view to an all member briefing and a further meeting of the Shared Services Extended Steering Group taking place prior to reports going to each council this coming December.
- 3.8 On 22 September, 2015, the political Administration of Stirling Council issued a media statement that it intended to bring back education and social services into Stirling. Then on 8 October, Stirling Council considered a report on the matter and agreed to move away from shared services in favour of dedicated Stirling services

4.0 Considerations

- 4.1 Section 6 of the Strategic Partnership Agreement for shared services which was agreed by both councils in June, 2013, sets out the arrangements if one partner wishes to withdraw from shared services and states: *Should either council wish to cease the joint discharge of its education or social work functions, a period of notice of at least one full financial year must be given to*

the other council to enable alternative provision to be pursued. In this event, the Chief Executives will oversee the managed withdrawal from the agreement.

- 4.2 It is proposed that in light of the decision of Stirling Council on 8 October, Clackmannanshire Council now serves notice that it will cease the joint discharge of education and social work functions as at 31, March, 2017. (At the time of writing this report, no formal notice had been received from Stirling Council.)
- 4.3 Ceasing shared services will mean that the Council will require to put in place revised management and operational arrangements for both education and social services and an indicative outline strategic timeline based on the notice period set out in the Strategic Partnership Agreement is as follows:

	2015		2016												2017			
	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April
STAGE 1																		
Identification of shared posts, the employer and funding split																		
Map extent of current integration																		
STAGE 2																		
Agree new structure and approach post shared services																		
Identify staffing gaps and surpluses																		
Develop plans to deal with staffing gaps and surpluses																		
STAGE 3																		
Transition plan and activities																		
STAGE 4																		
Implement new structures																		
STAGE 5																		
Cease shared services																		

- 4.4 Since September, work has already been progressed on some of the activities under stages 1 and 2 of this timeline and an all member briefing on this was scheduled for 15 October. Positive discussions have also taken place with trade union representatives.
- 4.5 Going forward, Council may wish to consider establishing a member-officer group to oversee the ceasing of shared services and the establishment of new arrangements. It should be noted that decisions on what those new arrangements might ultimately be will remain decisions for Council.

5.0 Conclusions

- 5.1 The shared approach to education and social services between the two councils will cease as Stirling Council wishes to have its own standalone services.
- 5.2 Since 2010, many individuals have put in a significant amount of effort to build, develop and support shared services and there have been many achievements (recently set out in the Ernst & Young business case.)

5.3 Going forward, Clackmannanshire Council should aim to build on the accumulated experience and learning which has come from shared services while taking the opportunity to put in place innovative and effective arrangements for the management and operation of those services in the context of the wider Council and community planning arrangements.

6.0 Sustainability Implications

6.1 N/A

7.0 Resource Implications

7.1 Financial Details

There will be financial implications as a result of ceasing shared services and the setting up of alternative arrangements for Clackmannanshire. Until these new arrangements are agreed, it is not possible to specify those financial implications in detail. There are also likely to be costs related to the planning for and transition to alternative arrangements. Future reports to Council will outline these as matters progress and proposals come forward.

7.2 Staffing

There will be implications for the Council's staffing establishment as a result of ceasing shared services and the setting up of alternative arrangements. Until these new arrangements are agreed, it is not possible to specify those staffing implications in detail. Future reports to Council will outline these as matters progress and proposals come forward.

8.0 Exempt Reports

8.1 Is this report exempt? No

9.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) **Our Priorities** (Please double click on the check box)

The Council is effective, efficient and recognised for excellence

10.0 Equalities Impact

10.1 N/A

11.0 Legality

11.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

12.0 Appendices

12.1 None

13.0 Background Papers

Report to Stirling Council of 8 October, 2015

Shared Services Strategic Partnership Agreement, June 2013

author(s)

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Elaine McPherson	Chief Executive	

Approved by

NAME	DESIGNATION	SIGNATURE
Elaine McPherson	Chief Executive	Signed: E McPherson

